

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appellant: LAWRENCE et al.

Application Serial No.: 09/825,470

Filing Date: April 2, 2001

For: AUTOMATED LEGAL ACTION  
RISK MANAGEMENT

) Confirmation No.: 1341

) Group Art Unit: 3629

) Examiner: Mooneyham, Janice A.

) **APPEAL BRIEF**

) Attorney Docket No.: G08.127

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By: 

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Sir:

Appellant hereby submits an appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed October 19, 2006 (the "Final Office Action"), rejecting claims 1 - 2, 6 - 9, 11 - 20, and 24 - 27.

## **REAL PARTY IN INTEREST**

The present application is assigned to GOLDMAN SACHS & CO., One New York Plaza, New York, New York 10004, U.S.A.

## **RELATED APPEALS AND INTERFERENCES**

No other appeals or interferences are known to Appellants, Appellants' legal representative, or assignee, which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

## **STATUS OF CLAIMS**

Claims 1, 2, 6 – 9, 11 – 20, and 24 – 27 are pending in this application. All pending claims stand rejected and are now being appealed.

Claims 3 – 5, 10, and 21 – 23 have previously been canceled.

## **STATUS OF AMENDMENTS**

No amendments are pending or were filed after the Final Office Action.

## **SUMMARY OF CLAIMED SUBJECT MATTER**

Appellant claims a method, a system, and program code on a computer-readable medium for providing analysis and quantification of risks associated with a legal action. The claimed method, medium, and system may calculate a risk quotient based on a weighted algorithm applied to various risk assessment factors, and a suggested action may be generated in response to the calculated risk quotient. (See paragraph [0010] of Patent Application Publication US 2002/0143562 corresponding to the present application, hereinafter the “Pat. App. Pub.”).

Claim 1

Independent claim 1 relates to a computer-implemented method of managing risk related to a legal action involving a person. The method includes:

receiving, into a computer memory, information identifying a person's status as at least one of a party to a legal action and an amicus curiae of the court in a pending legal action; (*FIG. 3, 310; Specification, paragraph [0042]*)

receiving, into the computer memory, information relating to a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion; (*FIG. 3, 312; Specification, paragraph [0043]*)

assigning a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;

assigning a weight to each of the plurality of risk assessment factors;

calculating a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors;

calculating a risk quotient for the legal action by summing the plurality of risk factor values; (*FIG. 3, 313; Specification, paragraphs [0045] and [0046]*) and

in response to the calculated risk quotient, generating a suggested action associated with the legal action. (*FIG. 3, 314; Specification, paragraph [0047]*)

Claim 16

Independent claim 16 relates to a computerized system for managing risk associated with a legal action. The recited system includes:

a computer server accessible by a network access device via a communications network; (*FIG. 2, ALARM Server 210; Specification, paragraphs [0038] - [0040]*) and

executable software stored on the server (*Specification, paragraph [0041]*) and when executed operative with the server to cause the system to:

receive information identifying a person as at least one of a party to a legal action and an amicus curiae of the court; (*FIG. 3, 310; Specification, paragraph [0042]*)

receive information relating to a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion; (*FIG. 3, 312; Specification, paragraph [0043]*)

assign a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;

assign a weight to each of the plurality of risk assessment factors;

calculate a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors;

calculate a risk quotient for the legal action by summing the plurality of risk factor values; (*FIG. 3, 313; Specification, paragraphs [0045] and [0046]*) and

generate, in response to the calculated risk quotient, a suggested action associated with the legal action. (*FIG. 3, 314; Specification, paragraph [0047]*)

Claim 20

In dependent claim 20 relates to a computer executable program code residing on a computer-readable medium (*Specification, paragraph [0041]*), where the program code includes instructions for causing a computer to:

receive information identifying a person as at least one of a party to a legal action and an amicus curiae of the court; (*FIG. 3, 310; Specification, paragraph [0042]*)

receive information relating to details of a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion; (*FIG. 3, 312; Specification, paragraph [0043]*)

assign a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;

assign a weight to each of the plurality of risk assessment factors;

calculate a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors; ;

calculate a risk quotient for the legal action by summing the plurality of risk factor values; (*FIG. 3, 313; Specification, paragraphs [0045] and [0046]*) and

generate, in response to the calculated risk quotient, a suggested action associated with the legal action. (*FIG. 3, 314; Specification, paragraph [0047]*)

**GROUND OF REJECTION TO BE REVIEWED ON APPEAL**

Claims 1, 2, 6 – 9, 11 – 20, and 24 rejected under 35 USC 112, first paragraph as failing to comply with the enablement requirement.

Claims 1, 2, 6 – 9, 11 – 20, and 24 – 27 rejected under 35 USC 101 as being directed to non-statutory subject matter.

Claims 1, 2, 6 – 9, 11 – 20, and 24 – 27 rejected under 35 USC 103(a) as being unpatentable over Heckman et al., U.S. Patent No. 5,875,431 (hereinafter, Heckman) in view of Halligan et al., US Pat. App. No. 2002/0077941 (hereinafter, Halligan).

## ARGUMENT

### *I.     Applicable Law*

In rejecting claims under 35 U.S.C. § 103, the Examiner bears the initial burden of presenting a *prima facie* case of obviousness. See *In re Rijckaert*, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). A *prima facie* case of obviousness is established by presenting evidence that would have led one of ordinary skill in the art to arrive at the claimed invention. See *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). Evidence of a suggestion, teaching, or motivation to modify a reference may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved, see *Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1630 (Fed. Cir. 1996), although “the suggestion more often comes from the teachings of the pertinent references,” *In re Rouffet*, 149 F.3d 1350, 1355, 47 USPQ2d 1453, 1456 (Fed. Cir. 1998). The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be clear and particular. See, e.g., *C.R. Bard Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1352, 48 USPQ2d 1225, 1232 (Fed. Cir. 1998), cert. denied, 119 S. Ct. 1804 (1999). A broad conclusory statement regarding the obviousness of modifying a reference, standing alone, is not evidence. Thus, when an Examiner relies on general knowledge to negate patentability, that knowledge must be articulated and placed on the record. See *In re Lee*, 277 F.3d 1338, 1342-45, 61 USPQ2d 1430, 1433-35 (Fed. Cir. 2002).

As will be evident from the following detailed discussion, the cited and relied upon Heckman and Halligan fail to disclose or suggest that for which the Examiner cites and relies upon them to disclose. .

**II. Claims 1, 2, 6 – 9, 11 – 20, and 24 -27 Comply with 35 UCS 112, first paragraph**

The Examiner admits at page 3 of the Final Office Action dated October 19, 2006 (referred to herein as the FOA) that the Specification explicitly states an exemplary way to implement the invention. The Examiner also restates the specifically claimed operations of claim 1, including the calculating of the plurality of risk assessment values, the calculating of a risk quotient, and the generation of a suggested action in response to the calculated risk quotient.

Appellant respectfully submits that the Specification, including the portions cited by the Examiner, clearly illustrate that the Specification is in compliance with 35 SC 112, 1<sup>st</sup> paragraph. The exemplary manner of practicing the invention provided in the Specification (admitted as such by the Examiner) is enabling with respect to the invention claimed by Appellant, as stated at page 7 of AF Response dated December 19, 2007 (referred to herein as the AF Response).

Further, those skilled in the pertinent arts related to the claimed subject matter to which the application pertains would/do understand how to assign a numerical value to a factor of a computer-implemented method since such task(s) are understood by those knowledgeable in, for example, computer programming and/or analysis. Assigning values to a defined variable of a computer-implemented method is submitted as well-known and need not be repeated or explained by Appellant in view of the scope of the pending claims.

As stated in the AF Response at page 8, Appellant's claims require calculating by multiply and calculating by summing, as disclosed in the explicit example of the Specification. The calculating operations of the claims and the explicit example do not

require any subjective analysis of values, instead they recite mathematical calculating operations.

Referring the paragraphs [0045] – [0047] of the Specification, Appellant notes that the Specification discloses a concrete result obtained by the disclosed and claimed method. Namely, the Specification discloses generating a suggested action in response to the calculated risk quotient. Appellant submits that the suggested action generated in response to the calculated risk quotient is a concrete result that can be repeated by, for example, performing the invention as detailed in the explicit example in the Specification. Furthermore, the result (i.e., the generated suggested action) is repeatable. Appellant respectfully notes that a result will be obtained each time the explicit example process of the Specification is performed, as recited in the claims.

Therefore, Appellant respectfully submits that the Specification is in fact enabling.

**III. Claims 1, 2, 6 – 9, 11 – 20, and 24 -27 are Directed to Statutory Subject Matter under 35 U.S.C. 101**

Claims 1 - 2, 6 - 9, 11 - 20, and 24 - 27 were rejected under 35 U.S.C. 101 for allegedly being directed to non-statutory subject matter.

Appellant respectfully submits that the pending claims are in fact statutory subject matter. The claimed invention is (1) within the technological arts and (2) the claimed invention produces a useful, concrete, and tangible result (e.g., provide a suggested action associated with the legal action).

The claimed result is, in fact, a concrete and tangible result. The claimed result is also reproducible. That is, one practicing the claimed invention would in fact be able to calculate a risk quotient and in response thereto generate a suggested action associated with the legal action, as recited in the claims.

Appellant emphasizes that a particular or exact risk quotient value or a specific suggested action is not claimed by Appellant but rather a method, system, and medium



that includes calculating a risk quotient. Despite this fact, the Examiner appears to suggest that the claims include such specificity. Appellant respectfully submits that one skilled in the art could repeat and implement the claimed invention without undue experimentation to an extent commensurate with the claims and the Specification.

Furthermore, the result of “generating a suggested action associated with the legal action” is reproducible.

Therefore, Appellant respectfully requests the reconsideration and withdrawal of the rejection of claims 1, 2, 6 - 9, 11 - 20, and 24 - 27 under 35 USC 101.

**IV. Claims 1, 2, 6 – 9, 11 – 20, and 24 -27 are Not Obvious in view of Heckman and Halligan under 35 U.S.C. 103**

Appellant respectfully submits that the combination of Heckman and Halligan fail to render Appellant’s claims obvious under 35 USC 103(a).

Regarding claims 1, 16, and 20, Heckman was cited and relied upon for disclosing a computer implemented method, system, and program code for managing risk related to a legal action, including a computer system comprising a computer server; receiving, into a computer memory, information relating to a plurality of risk assessment factors associated with legal actions; and generating a suggested action. Halligan was cited and relied upon for disclosing assigning a numerical value to each of a plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors; assigning a weight to each of the plurality of risk assessment factors; calculating a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors; and calculating a risk quotient for the legal action by summing the plurality of risk factor values.

That is, Heckman discloses a system and method that does not assign numerical values, assign weights, calculate risk factor values by multiplying the numerical value and the weight assigned to the risk assessment factors, and calculate a risk quotient for

the legal action by summing the plurality of risk factor values. The entire detailed method and system of Heckman does not include or suggest assigning numerical values, assigning weights, calculating risk assessment factor values by multiplying numerical values and weights, and calculating a risk quotient for the legal action that is analyzed and evaluated by Heckman. In fact, the Heckman process does not rely on or suggest the use of assigned and/or calculated numerical values relating to any of the many types of data used therein.

Halligan however discloses,

In the United States, Section 757 of the First Restatement of Torts set forth six factors for evaluating the existence of a trade secret to assist the courts in adjudicating trade secret cases. One of the inventions we claim is a method of using the six factors to document, weight, and evaluate the existence of a trade secret and measures to protect the trade secret. (emphasis added) (Halligan, paragraph [0009]).

Thus, it is clear that the six factors regarding a trade secret are used to document, weight, and “evaluate the existence of a trade secret and measures to protect the trade secret”. The numerical factors disclosed in Halligan, whether assigned or calculated, each relate to the merits of a trade secret and measures to protect (i.e., maintain) the trade secret. While the factors disclosed in Halligan may mirror those used in a court in assessing the existence of a trade secret in a trade secret legal proceeding, the factors themselves are related to the existence (or not) of the trade secret, not a legal action.

Combining Heckman and Halligan as argued by the Examiner would appear to logically result in the legal strategic planning and evaluation system of Heckman regarding a legal proceeding (lacking any assigning and calculating of numerical values) that uses the Halligan disclosed method of documenting, analysis, auditing, accounting, protecting, registering, and verifying of trade secrets. That is, the asserted combination would be a legal analysis system that does not assign or calculate any numerical values to generate a suggested legal action associated with a legal action (disclosed by

Heckman) and that uses the trade secret evaluation and analysis method and system to assign numerical values in evaluating trade secrets (as disclosed by Halligan). Even expanding the legal action to those not involving trade secrets (e.g., criminal or malpractice cases), the cited and relied upon combination of references suggest that the evaluation of the underlying subject matter (e.g., criminal or malpractice cases) be evaluated by assigning numerical values as disclosed in Halligan but the overall legal matter be analyzed per Heckman (i.e., no numerical values).

Therefore, it is clear that even if Heckman and Halligan were combined as asserted by the Examiner (not admitted as feasible by Appellant), the combination would not render claims 1, 16, and 20 obvious due to the patentable differences between the claims and the combination of Heckman and Halligan. Accordingly, Appellant respectfully submits that claims 1, 16, and 20 are patentable over Heckman and Halligan under 35 USC 103(a). Furthermore, claims 2, 6 - 9, 11 - 15, 17 - 19, and 24 - 27 depend from claims 1, 16, and 20. It is further submitted that all of the pending claims 1, 2, 6 - 9, 11 - 20, and 24 - 27 are patentable over Heckman and Halligan under 35 USC 103(a).

## CONCLUSION

Appellant respectfully submits that the rejections of claims 1, 2, 6 – 9, 11 – 20, and 24 – 27 are improper and requests that the rejections be reversed. In particular, the rejection of the independent claims herein is improper at least because all of those claims recite at least one aspect not disclosed in the cited and relied upon references. Appellant therefore requests that the Examiner's rejections of the claims be reversed.

As required by 37 CFR §41.37, this Brief is filed within one month from the date of mailing of the Notice of Panel Decision from Pre-Appeal Brief Review (*i.e.*, within one month of April 9, 2007); as such, no extension of time is believed due. However, if any additional fees are due in conjunction with this matter, the Commissioner is hereby authorized to charge them to Deposit Account 50-1852.

If any issues remain, or if the Examiner or the Board has any further suggestions for expediting allowance of the present application, kindly contact the undersigned using the information provided below.

Respectfully submitted,

May 9, 2007

Date

/RPC/

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Appendix A - Claims  
Appendix B - Evidence  
Appendix C - Related Proceedings

## Appendix A - Claims

The following is a complete copy of the claims involved in the appeal:

1. A computer-implemented method for managing risk related to a legal action involving a person, the method comprising:

receiving, into a computer memory, information identifying a person's status as at least one of a party to a legal action and an amicus curiae of the court in a pending legal action;

receiving, into the computer memory, information relating to a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion;

assigning a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;

assigning a weight to each of the plurality of risk assessment factors;

calculating a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors ;

calculating a risk quotient for the legal action by summing the plurality of risk factor values; and

in response to the calculated risk quotient, generating a suggested action associated with the legal action.

2. The method of claim 1, further comprising generating a report including the suggested action.

3-5. (Canceled)

6. The method of claim 1, wherein the suggested action is directed towards reducing a risk related to the legal action.

7. The method of claim 1 wherein the suggested action comprises commencing a litigation.

8. The method of claim 1 wherein the suggested action comprises entering arbitration.

9. The method of claim 1, wherein the suggested action comprises settling a legal action.

10. (Canceled)

11. The method of claim 1, wherein at least one of the plurality of risk assessment factors is associated with a venue for the legal action.

12. The method of claim 1, wherein the received information relating to the plurality of risk assessment factors is gathered electronically.

13. The method of claim 1, further comprising aggregating a plurality of risk quotient values relating to the person and determining an aggregate level of risk related to multiple legal actions to which the person is a party.

14. The method of claim 13, further comprising calculating an average numeric value value associated with the person.

15. The method of claim 1, wherein the legal action comprises a class action suit.

16. A computerized system for managing risk associated with a legal action, the system comprising:

- a computer server accessible by a network access device via a communications network; and

- executable software stored on the server and when executed operative with the server to cause the system to:

- receive information identifying a person as at least one of a party to a legal action and an amicus curiae of the court;

- receive information relating to a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion;

- assign a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;

- assign a weight to each of the plurality of risk assessment factors;

- calculate a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors;

- calculate a risk quotient for the legal action by summing the plurality of risk factor values; and

- generate, in response to the calculated risk quotient, a suggested action associated with the legal action.

17. The computerized system of claim 16 wherein the information relating to the plurality of risk assessment factors is received via an electronic feed.

18. The computerized system of claim 16 wherein the network access device is a personal computer.

19. The computerized system of claim 16 wherein the network access device is a wireless handheld device.

20. Computer executable program code residing on a computer-readable medium, the program code comprising instructions for causing a computer to:

- receive information identifying a person as at least one of a party to a legal action and an amicus curiae of the court;
- receive information relating to details of a plurality of risk assessment factors associated with the legal action, wherein the risk assessment factors are selected from a group consisting of: a likelihood of prolonged litigation, damages, punitive damages, and damaged public opinion;
- assign a numerical value to each of the plurality of risk assessment factors, wherein the numerical value is indicative of a legal risk of each risk assessment factor relative to the other plurality of risk assessment factors;
- assign a weight to each of the plurality of risk assessment factors;
- calculate a plurality of risk factor values by multiplying the numerical value and the weight assigned to each of the plurality of risk assessment factors; ;
- calculate a risk quotient for the legal action by summing the plurality of risk factor values; and
- generate, in response to the calculated risk quotient, a suggested action associated with the legal action.

21 - 23. (Canceled)

24. (Previously Presented) The method of claim 1 wherein a person involved in a legal action comprises at least one of a legal person or natural person, or a combination of both.



25. The method of claim 24, wherein a legal person further comprises a governmental entity.

26. The method of claim 1 wherein the suggested action comprises appearing as an amicus curiae of the court in a litigation.

27. The method of claim 1 wherein the risk comprises legal, regulatory, financial and reputational exposure.

## **Appendix B - Evidence**

This appendix is empty.

### Appendix C - Related Proceedings

No other appeals or interferences are known to Appellant or Appellant's legal representative that will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

Therefore, there are no copies of decisions rendered by a court or the Board in any related proceeding to include herewith.